(c) Saudi Arabia is India's largest supplier of crude oil and has assured us of uninterrupted supply of crude. India remains engaged with Saudi Arabia to enhance bilateral cooperation in the hydrocarbon sector.

(d) and (e) No, Sir. Does not arise.

Criteria for change in prices of petro-products

†792.SHRI RAM JETHMALANI:

SHRI SHIVANAND TIWARI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that sale prices of several petroleum products in the country have been reduced or increased between July-August, 2008 and Jan, 2009;

(b) if so, names of the petroleum products and the time when their prices have been reduced or increased;

(c) whether it is also a fact that no single criterion was fixed for increasing and reducing the prices of petroleum products during the said period;

(d) if so, the reasons therefor; and

(e) the names of the articles, the prices of which showed lesser corresponding decrease against the reduction in prices of other petroleum products?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (e) The retail selling prices (RSPs) of four sensitive petroleum products namely, Petrol, Diesel, PDS Kerosene and Domestic LPG sold by the Public Sector Oil Marketing Companies (OMCs) are modulated by the Government with a view to protect the interests of the consumers from the high and volatile oil prices in the international market. The RSPs of other petroleum products are fixed by the OMCs on commercial considerations.

In view of the recent decline in the international oil prices, the Government has reduced the RSPs of the sensitive petroleum products on two occasions as indicated below (at Delhi), with corresponding reductions in the rest of the country:

- Effective from 6.12.2008 - Petrol by Rs. 5/- per litre and Diesel by Rs.2/- per litre; and
- Effective from 29.1.2009 - Petrol by Rs.5/- per litre, Diesel by Rs.2/- per litre and Domestic LPG by Rs.25/- per cylinder.

While fixing the RSPs of the four sensitive petroleum products, the Government takes into consideration a number of factors including trends in the international oil prices, Rupee-Dollar exchange rate, (which has a direct impact on the cost to OMCs), capacity of the consumers to bear the increase in the RSPs, financial position of OMCs and impact of price changes on inflation.

Monetisation of marginal oil field

793. SHRIMATI SHOBHANA BHARTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

---

†Original notice of the question was received in Hindi.

(a) whether to boost production and exploration of oil, Government has decided to monetize several marginal oilfields of the Oil and Natural Gas Corporation (ONGC);

(b) if so, the details thereof;

(c) whether the Directorate General of Hydrocarbon (DGH) has proposed a realistic evaluation of the oil reserves in the marginal fields; and

(d) if so, the steps taken by the ONGC to boost exploration and production of oil from the marginal fields?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Oil & Natural Gas Corporation Ltd. (ONGC) has identified to monetize 165 new & marginal fields of which 43 fields have already been monetized by ONGC. Some fields are being monetized by ONGC itself or through Service Contract. The remaining marginal fields will be monetized by ONGC on commercial consideration keeping in view economic feasibility.

(c) and (d) Yes, Sir. The strategy to develop marginal fields depends entirely on economic viability considering the basic limited hydrocarbon reserves available in these fields. However, ONGC has made in house efforts through cluster development in offshore and using minimum required facilities in onland for achieving economic viability. Some fields are being developed through service contract by ONGC.

Dual pricing policy of petroleum

794. SHRI MAHENDRA MOHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government is going to enforce dual pricing policy in case of diesel and natural gas;

(b) if so, the details thereof;

(c) what is total consumption of natural gas and diesel in industrial, automobile and for domestic use separately; and

(d) how Government propose to allocate diesel and gas separately for different sectors?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) At present there is no proposal under consideration of the Government to enforce dual pricing policy for Diesel.

The price of Administered Pricing Mechanism (APM) Gas is decided by the Government. The price of Liquefied Natural Gas (LNG), imported under term contracts is governed by the Sale Purchase Agreement (SPA) between the LNG seller and the buyer, while spot cargoes are purchased on mutually agreeable commercial terms. As regards domestically produced Gas from Joint Venture (JV) fields, its pricing is governed in terms of the provisions of Production Sharing Contracts (PSCs). The price of Gas produced from fields under New Exploration Licensing Policy (NELP) is approved by the Government under the provisions of the PSC signed between the Government and the NELP Operators.